

## **Exhibit A**

# Ruby Tuesday

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Forecast Summary

*February 9, 2021*

## PROJECTION ASSUMPTIONS

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- Store footprint: 210 locations, no additional store opening
- Sales (210 locations; does not include impact of virtual concept):

Store Count (EOY)	210	210	210	210	210	210	210
	TTP P9 2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026
<b>AUV</b>	1,754,958	1,189,705	1,648,288	1,807,607	1,861,835	1,917,690	1,975,221
<b>AUV (Daily)</b>	4,821	3,268	4,528	4,966	5,115	5,268	5,426
<b>SSS Growth (Absolute)</b>	N/A	-32.2%	38.5%	9.7%	3.0%	3.0%	3.0%
<b>SSS Growth (TTP P9 2020)</b>	N/A	-32.2%	-6.1%	3.0%	6.1%	9.3%	12.6%

- Cost structure: recovers to historical levels (i.e., TTM P9 FY 2020, ended March 10, 2020) as sales recover
- Rent expense includes all known savings/amendments that were agreed upon during the Chapter 11 proceedings
- Virtual concept to be rolled out across 150 locations in FY2022; see income statement assumptions for further detail
- Capex: maintenance capex ramps up to normal level of \$36k/location annually in FY2023 as sales normalize
- Balance sheet:
  - Balance sheet does not reflect fresh start accounting or purchase price valuation adjustment
  - Debt assumption corresponding to draft POR submitted with the bankruptcy court (i.e., \$30 million term loan and \$2 million proposed unsecured note)
  - Cash balance at emergence of \$12.5 million
  - Working capital based on historical ratios with management adjustments

## SUMMARY

(\$ in thousands)	Fcst	Fcst	Fcst	Fcst	Fcst	Fcst
	P9 Wk 3 - P12 FY21	FY22	FY23	FY24	FY25	FY26
Net Sales	\$ 83,194	\$ 346,141	\$ 379,597	\$ 390,985	\$ 402,715	\$ 414,796
Cost of Merchandise	25,781	100,495	108,185	105,943	109,121	112,395
Payroll and Related Costs	30,585	119,068	129,225	133,606	137,231	140,958
Other Operating Costs	13,400	57,121	61,257	63,016	64,809	66,654
Marketing Expense	1,920	10,384	11,330	11,670	12,020	12,381
Occupancy Costs	9,573	28,475	29,222	31,069	32,614	33,729
4-Wall EBITDA	1,936	30,597	40,378	45,681	46,919	48,681
G&A	5,498	21,360	21,029	21,303	21,582	21,867
Virtual Concept EBITDA	-	2,925	3,013	3,103	3,196	3,292
Franchise Income	-	1,758	1,810	1,865	1,921	1,978
<b>EBITDA</b>	<b>\$ (3,563) \$</b>	<b>13,919 \$</b>	<b>24,172 \$</b>	<b>29,346 \$</b>	<b>30,454 \$</b>	<b>32,084</b>
Non-EBITDA Sources / (Uses) of Cash:						
Changes in Working Capital	(2,122)	1,490	1,781	669	789	798
Capital Expenditures	(981)	(3,924)	(7,848)	(7,848)	(7,848)	(7,848)
Other Cash Expenses	(2,191)	(3,776)	(1,946)	(880)	(880)	(880)
Cash Taxes	-	-	(2,613)	(4,065)	(4,326)	(4,645)
<b>Non-EBITDA Sources / (Uses) of Cash</b>	<b>\$ (5,294) \$</b>	<b>(6,210) \$</b>	<b>(10,626) \$</b>	<b>(12,123) \$</b>	<b>(12,265) \$</b>	<b>(12,574)</b>
<b>Net Cash Flow Before Financing Activity</b>	<b>\$ (8,857) \$</b>	<b>7,709 \$</b>	<b>13,546 \$</b>	<b>17,223 \$</b>	<b>18,189 \$</b>	<b>19,510</b>
(+) Cash from Exit Financing, net	12,500	-	-	-	-	-
(-) Bankruptcy Estate-related costs <sup>(1)</sup>	(12,522)	-	-	-	-	-
(-) Repay DIP	(5,016)	-	-	-	-	-
(-) Principal Amortization on New Money Exit Financing	(75)	(413)	(3,238)	(1,500)	(1,500)	(1,500)
(-) Cash Interest Expense	(1,183)	(3,460)	(3,548)	(3,594)	(3,625)	(3,655)
<b>Net Cash Flow</b>	<b>\$ (15,153) \$</b>	<b>3,837 \$</b>	<b>6,760 \$</b>	<b>12,129 \$</b>	<b>13,064 \$</b>	<b>14,355</b>
<b>Cash Reconciliation:</b>						
<b>Beginning Cash Balance</b>	<b>\$ 21,818 \$</b>	<b>6,665 \$</b>	<b>10,503 \$</b>	<b>17,262 \$</b>	<b>29,392 \$</b>	<b>42,456</b>
<b>Net Change in Cash</b>	<b>\$ (15,153)</b>	<b>3,837</b>	<b>6,760</b>	<b>12,129</b>	<b>13,064</b>	<b>14,355</b>
<b>Ending Balance</b>	<b>\$ 6,665 \$</b>	<b>10,503 \$</b>	<b>17,262 \$</b>	<b>29,392 \$</b>	<b>42,456 \$</b>	<b>56,811</b>

(1) Preliminary estimate. Figure may change based on settlements, lease negotiations, and other ongoing efforts

## **SUMMARY INCOME STATEMENT**

## INCOME STATEMENT ASSUMPTIONS

	Assumptions
Beverage Sales	Beverage sales as a share of net sales is expected to decrease as on-premise dining returns to pre-COVID levels
Food Sales	Food as a share of net sales is expected to increase as on-premise dining returns to pre-COVID levels
Other	Discounts will decline as a share of revenue as the additional discounts needed to drive traffic during COVID will decrease
<b>Total Restaurant Sales</b>	FY21 SSS decrease 35% over TTP P9 2020. FY22 SSS increase 38% over FY21, and SSS return to TTP P9 2020 levels by FY23. SSS increase 3% annually thereafter
Franchise Income	Franchise income decreases between TTP P9 2020 and FY21. FY21 assumes YTD P7 actual and no income for the rest of the year. FY22 assumes 42% of TTP P9 sales and increase 3% annually thereafter
Food Cost (Net)	Food costs are expected to decrease as a share of revenue as sales recover
Beverage Cost (Net)	Beverage costs are expected to decrease as a share of revenue as sales recover
<b>Gross Profit</b>	Gross margins will increase as discounting decreases
Direct Labor (incl SL)	Direct Labor for remainder of 2021 is 20% of sales. From FY22 thru FY26 direct labor gradually increases to TTP P9 levels
Manager Labor	Manager labor will recover to its TTP P9 level by FY23 as revenue recovers and increase by 2% annually thereafter
Payroll Taxes	Payroll taxes will increase in line with labor costs, remaining at 19.5% of direct and manager labor costs, the TTP P9 level
Benefits	Benefits will increase in line with labor costs, gradually moving to 3.2% of direct and manager labor costs, the TTP P9 level
Workers Comp	Workers' comp will increase in line with labor costs, remaining at 1.6% of direct and manager labor costs, the TTP P9 level
Ops Bonus	Ops bonus will return to the TTP P9 share of revenue by FY23 as revenue and profitability increase
Other Payroll & Related	Other payroll & related was cut significantly during pandemic. Post-emergence this is expected to revert to pre-pandemic levels or TTP P9
<b>Prime Margin</b>	Prime margin will increase as RT generates operating leverage from manager labor and a decline in benefits as a share of revenue
Utilities	Utilities will ramp up with sales in FY 22, returning to the historical average by FY23 of 4.5% of sales
Operating Supplies	Operating supplies are expected to increase slightly due to increased app-based sales and the introduction of virtual concepts
Repairs & Maintenance	R&M will increase to 3.5% of sales by FY23 as the company invests store renovations
3rd Party Delivery Commission	Commissions are expected to remain stable in absolute terms as app-based sales remain consistent
Contract Services	Contract services are expected to return to historical levels in FY23
Credit Card Fees	Credit card fees are expected to return to historical levels in FY23 as on-premise dining increases
Insurance	Insurance costs will increase 2% annually in FY23 and FY24 and then increase 1% annually in FY25 and FY26
Business Tax & Licenses	Business tax and license costs will increase modestly. Certain costs that were included in this category are now classified as other operating costs, driving the total-dollar decrease in FY22
Legal Fees	Refer to other operating expenses
Other Operating Costs	Other operating is expected to remain stable from FY21 levels. Certain costs include credit card shortages, third party delivery shortages, and other chargebacks.
<b>MOP</b>	MOP remains below pre-COVID levels due to the increase in delivery commissions. Excluding the impact of delivery commissions, MOP returns to TTP P9 levels by FY24
Total Marketing Exp	Marketing expense will recover to 3% of sales by FY23
Cash Rent	Cash rents are based on HILCO negotiations and include CAM
CAM	See cash rent
Property Taxes	Property taxes are based on company estimates
Support Bonus Exp	Support bonus assumes company hits profitability targets
Salaries	Salaries increase slightly from TTP P9 levels. Please refer to the G&A tab for a full breakdown
Travel	Travel expense will increase as field leadership travel normalizes in FY23
Other G&A Exp	Other G&A will increase slightly in FY22 as RT makes a \$300k IT investment. It will decrease slightly in FY23. Please refer to the G&A tab for a full breakdown
Virtual Concept EBITDA	Virtual concepts will be opened in 150 locations in FY22, generating \$9.8 million in revenue at a 30% EBITDA margin

## SUMMARY BALANCE SHEET

(\$ in 000s)		ACTUAL		PROJECTED							
		Period Ending>>>		3/10/2020	6/2/2020	6/1/2021	6/7/2022	6/6/2023	6/4/2024	6/3/2025	6/2/2026
		Assets	P9 2020	P12 2020	FY2021	FY2022	FY2023	FY2024	FY2025	FY2026	
Current Assets											
Cash		\$ 17,633	\$ 14,690	\$ 6,665	\$ 10,503	\$ 17,262	\$ 29,392	\$ 42,456	\$ 56,811		
Receivables		2,290	1,471	2,732	2,526	2,628	2,707	2,788	2,872		
Inventory		7,320	4,687	3,308	3,398	3,580	3,512	3,608	3,708		
Income Tax Receivable		494	478	421	421	421	421	421	421		
Prepaid Expenses		8,294	6,048	6,446	6,580	6,610	6,610	6,610	6,610		
Assets Held for Disposal		3,820	9,789	1,099	1,099	1,099	1,099	1,099	1,099		
Total Current Assets		39,851	37,163	20,671	24,526	31,600	43,739	56,982	71,520		
P&E, net		76,779	53,850	46,924	43,904	44,808	44,815	44,586	44,115		
Other Assets		54,514	46,706	18,847	18,847	18,847	18,847	18,847	18,847		
<b>Total Assets</b>		<b>\$ 171,144</b>	<b>\$ 137,719</b>	<b>\$ 86,443</b>	<b>\$ 87,278</b>	<b>\$ 95,255</b>	<b>\$ 107,402</b>	<b>\$ 120,415</b>	<b>\$ 134,483</b>		
Liabilities and Shareholders' Equity											
Liabilities											
Current Liabilities											
Accounts Payable		\$ 12,373	\$ 26,993	\$ 4,914	\$ 5,262	\$ 5,393	\$ 5,281	\$ 5,439	\$ 5,603		
Taxes, Other than Income and Payroll		8,861	5,939	2,952	2,952	2,952	2,952	2,952	2,952		
Payroll and Related Costs		10,619	9,263	2,575	3,187	3,266	3,257	3,257	3,257		
Insurance		3,056	3,099	1,291	1,291	1,291	1,291	1,291	1,291		
Unearned Income - Gift Certificates / Card		16,623	12,427	7,608	8,471	9,999	10,299	10,608	10,927		
Rent and Other		33,420	49,784	5,402	4,588	4,445	4,445	4,445	4,445		
Current Portion of Debt		4,955	5,215	-	-	-	-	-	-		
Total Current Liabilities		89,907	112,720	24,743	25,752	27,346	27,526	27,993	28,475		
Other Liabilities											
Long-Term Debt		37,232	39,741	32,413	34,014	32,833	33,311	33,660	34,188		
Other Deferred Liabilities		66,412	58,372	7,159	7,659	8,159	8,659	9,159	9,659		
<b>Total Other Liabilities</b>		<b>103,644</b>	<b>98,113</b>	<b>39,572</b>	<b>41,673</b>	<b>40,992</b>	<b>41,970</b>	<b>42,819</b>	<b>43,847</b>		
<b>Total Liabilities</b>		<b>193,551</b>	<b>210,833</b>	<b>64,315</b>	<b>67,425</b>	<b>68,338</b>	<b>69,495</b>	<b>70,812</b>	<b>72,322</b>		
Shareholders' Equity		(22,407)	(73,114)	22,128	19,853	26,917	37,906	49,603	62,161		
<b>Total Liabilities and Shareholders' Equity</b>		<b>\$ 171,144</b>	<b>\$ 137,719</b>	<b>\$ 86,443</b>	<b>\$ 87,278</b>	<b>\$ 95,255</b>	<b>\$ 107,402</b>	<b>\$ 120,415</b>	<b>\$ 134,483</b>		



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